ISABELLA GRAPE AGRIBUSINESS PROJECT

(TC-99-11-10-4)

EXECUTIVE SUMMARY

Executing agency: Fundación Carvajal [Carvajal Foundation], which will set up an

executing unit to carry out the project.

Beneficiaries: The direct beneficiaries are small-scale Isabella grape growers in

the municipalities of Ginebra, Cerrito and Guacarí.

Objectives and specific components:

The general aim is consolidation of the Isabella grape agribusiness production chain in the Cauca Valley, thereby contributing to the economic recovery of small producers in the region. The specific objectives are to: (i) promote entrepreneurial self-management among the region's grape growers and strengthen CorpoGinebra, the grape growers' association; (ii) adapt and apply technologies for production, post-harvest handling and quality assurance of the Isabella grape to ensure marketing, and (iii) help hone the grape growers' negotiation skills to make certain that cultivation of the Isabella grape is synchronized with its processing and marketing.

Description: The project is organized into three components: (i) promotion and

development of entrepreneurial self-management; (ii) technology development and transfer, and (iii) consolidation of the production

chain.

This project is built on an existing strategic alliance called Consorcio Uva Isabella [Isabella grape consortium], comprised of six entities (see section IV.A). One of these entities is CorpoGinebra, which groups together the region's grape producers. The project seeks to strengthen the chain involving the small producers represented by CorpoGinebra. By agreement with the members of the Consorcio Uva Isabella, the project executing agency will be Fundación Carvajal. An executive committee comprised of members of the strategic alliance will be set up for general project supervision.

Financing: Local counterpart funding: US\$ 740,025 (40%)

MIF (Window III-A): US\$1,111,947 (60%) Total: US\$1,851,972 (100%)

Execution: Period of execution: 36 months

Disbursement period: 42 months

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Exceptions:

No exceptions to the Bank's rules are anticipated.

Special terms and conditions:

As a condition precedent to the first disbursement, the executing agency will submit the following to the Bank: (i) evidence that Fundación Carvajal has set up the executing unit; (ii) evidence that the director of CorpoGinebra and the technical director of the executing unit have been selected; (iii) the Executive Committee's approval of its rules of procedure; (iv) the annual plan of operations for the first year, for the Executive Committee's subsequent approval, including the respective terms of reference; and (v) evidence of an interagency agreement among the members of the consortium, setting forth the function of each member vis-à-vis project execution.

Environmental impact:

The Committee on Environment and Social Impact (CESI) examined the project on 29 September 2000 and recommended that the description of the components specify the clean production and occupational health measures that should be included in the technology package.